

## **Local 230 Settlement Proposal of May 25, 2010**

**Term:** term of the agreement will be July 1, 2009 thru June 30, 2012

### **2009/2010**

- 0 % wage increase. Because the Police & Fire Retirement System assumes annual raises greater than zero, this proposal results in a \$1,400,000 savings in City contributions to the retirement system.

### **2010/2011**

- 0 % wage increase. Because the Police & Fire Retirement System assumes annual raises greater than zero, this proposal results in a \$1,400,000 savings in City contributions to the retirement system.
- All unit employees will contribute an amount equal to 5% of their base pay as additional contributions to the retirement plan.
- The City will reduce its retirement contribution by a commensurate 5.0%, generating substantial ongoing general fund savings for multiple years. This will result in a savings to the City of **\$4,304,080.**
- **Total savings in 2010/2011: \$5,704,080.**

### **2011/2012**

- 0 % wage increase. Because the Police & Fire Retirement System assumes annual raises greater than zero, this proposal results in a \$1,400,000 savings in City contributions to the retirement system.
- All unit employees will contribute an amount equal to 5% of their base pay as additional contributions to the retirement plan.
- The City will reduce its retirement contribution by a commensurate 5.0%, generating substantial ongoing general fund savings for multiple years. This will result in a savings to the City of **\$4,304,080.**
- **Total savings in 2011/2012: \$5,704,080.**
- **Total savings from contract \$12,808,160**

With regards to the employees increasing their share of the retirement costs specifically, effective July 1, 2010, all unit employees will contribute 5.0% of base pay towards prior service retirement costs. This payment will be made on a pre-tax basis through payroll deduction pursuant to IRS Code Section 414(h)(2). This contribution shall be credited to an employee's individual account for purposes of refunds, where such refunds are required or permitted under the Plan to be given to an employee. This contribution shall terminate effective the last full pay period of June 2012.

As was directed by the City council in adoption of the March Budget Message for Fiscal Year 2010-2011; "To the extent possible, concessions from non-sworn bargaining units should primarily be used to save non-sworn positions, and savings from the sworn bargaining units should be primarily be used to save sworn positions."

For purposes of future negotiations/arbitrations the parties agree that the compensation level established by this agreement does not necessarily place Local 230 members in the appropriate labor market position.

Implement the 48/96 work schedule approximately January 1, 2011 under the same conditions proposed by L230 in the last negotiations (see addendum)

City and L230 to immediately incorporate into Article 20 of the MOU the "Fire Fighter Bill of Rights" as mandated by state law. (see addendum)

In the event that the City becomes a partner/participant in the delivery of ambulance transport services, it is recognized that the increased revenues derived by the City are achieved due to the fact that the employees represented by L230 have accepted new and additional workloads and that these new earnings will be counted to the credit of members of L230 during budget deliberation starting with FY 11/12 and beyond.

Local 230 may place a small logo (total area not to exceed 2"x 2") on the back of SJFD authorized caps and just below the back collar of SJFD authorized T shirts and sweatshirts. This is not intended to change the uniform policy with respect to when or what uniform apparel is to be worn.

For the term of this contract L230 members will be afforded the same Vacation Leave sellback opportunities that are afforded to other employees. By selling back vacation hours (amount of hours to be determined) at one times the employee's base hourly rate the City can realize saving in two ways,

1. The hours will be purchased at the member's current hourly rate rather than a higher rate at the end of the employees career.
2. The City pays straight time for each hour rather than time and a half if the vacation had been taken and another employee is called back on overtime to fill the position.

Savings to the City will vary based on the number of vacation hours sold back to the City. This provision will sunset on July 1, 2012.